

Michigan Municipal Bond Authority

7 Step Borrowing Process – August 2007 State Aid Note Loan Program Series 2007B

Anticipated Closing Date: August 20, 2007

1. Borrower Selects Note Counsel

Selected note counsel must be recognized by The Bond Buyer's Municipal Marketplace Directory (a.k.a. the "Red Book"). You can contact the Authority for a listing of recognized note counsel, if necessary.

2. Borrower Completes Application and Cash Flow

Application and cash flow can be downloaded from the Authority's Web site at:
www.michigan.gov/mmmba

3. Borrower's Board of Education Adopts Borrowing Resolution

The borrowing resolution should be adopted prior to the Authority's application due date (see step #4). Contact your note counsel for the borrowing resolution.

4. Borrower Submits Required Documentation to the Authority

- Completed application with monthly and weekly cash flow (weekly cash flow for the month with largest deficit).
- Borrowing resolution adopted by school district's board of education.
- Completed wiring instructions (located at the end of the application on the website).
- Most recently amended board approved budget for fiscal year 2007-2008.

Documentation for August 2007 Borrowing needs to be received by: **June 29, 2007**

5. Borrower May Need to Obtain Approval from Michigan Department of Treasury, Local Audit and Finance Division (LAFD) to issue the note. Contact your note counsel for assistance, if needed.

Note counsel may assist with the application process for approval from LAFD, if school does not have "Qualified Status" for the fiscal year.

6. Authority Prices the Notes and Borrower Signs Purchase Contract

- July 31, 2007** - the Authority is scheduled to price the notes in the afternoon and send an e-mail with interest rate notification.
- August 1, 2007 by 10:00 A.M.** - the school district notifies the Authority pursuant to the instructions in the e-mail of the acceptance of the interest rate.
- August 1, 2007** - the Authority will mail the purchase contract via overnight mail. An Authorized Officer, as defined by the Borrowing Resolution, must sign three (3) copies of the contract.
- August 2, 2007** - a signed copy of the Purchase Contract must be faxed to the Authority by 4:00 p.m.
- On or before **August 3, 2007** - one original signed copy of the purchase contract must be returned to the Authority pursuant to the instructions included in the Purchase Contract mailing.

7. Borrower's Note Counsel Submits all signed Closing Documents and Borrower Receives Funds

- The Authority will deliver the forms of the closing documents to the school district's note counsel in advance of the closing date.
- Each borrower must coordinate with its note counsel to complete all required closing documents and obtain the appropriate signatures on the closing documents.
- On or before **August 15, 2007** - each borrower's note counsel must deliver all required documents to the Authority.
- On the closing date, **August 20, 2007** - the Authority's trustee will wire note proceeds according to the instructions provided by the borrower.

Note the Closing Schedule (#6) is **TENTATIVE** and subject to change. Changes will be posted to the **August 2007 SAN Schedule** on the MMBA Web site. If you have any questions, please contact the Authority.